

14 December 2021

FirstFarms A/S acquires land leases and crop production in Hungary

FirstFarms A/S has today entered into agreement to acquire 100% of the Hungarian company Try-Béta Kft. regarding land leases and crop production, silo plant and machinery. The purchase price is 26 mDKK. The purchase agreement is conditional to final due diligence and the trade is expected to be completed by the end of April 2022.

With the acquisition, FirstFarms significantly supports and expands its operations in Hungary. The company takes over the operation of 1,600 hectares of cultivated land (wheat, barley, maize, rape seed and sunflower), 6,900 tons of storage and silo capacity and full machinery. Try-Béta's 15 employees continue their work, but as employees of FirstFarms.

"This is a really good trade with great importance for the future development of our business in Hungary. We already own and operate the neighbouring locations with pig production, and with the acquisition of Try-Béta, we can strengthen our circular operation in the area, for the benefit of the environment, and for the benefit of ourselves." says CEO of FirstFarms Anders H. Nørgaard.

"Try-Beta's crops will, among other things, be used for feed in our pig productions, which are currently under expansion, and at the same time we can apply our animal manure in the Try-Béta fields. Try-Béta's machinery will also be utilised at all our locations nearby" CEO of FirstFarms Anders H. Nørgaard continues, and underlines: "Thus, we strengthen our economy by minimising our costs, and at the same time it benefits the environment that we operate circularly."

FirstFarms and Try-Béta are already collaborators, as Try-Béta's fields have been fertilised with animal manure from FirstFarms' pig productions in the area for many years.

The acquisition of Try-Béta is in line with FirstFarms' ambitious growth strategy and the vision to develop the company into one of Europe's best operated and most profitable companies in the area of agriculture and food products.

With the acquisition, FirstFarms will have a total "Land bank" of over 8,700 hectares of owned land, as well as over 10,500 hectares of leases – total 19,200 hectares of agricultural land in operation.

The acquisition will not affect the 2021 result and therefore does not change the announced expectations for 2021 of an EBITDA in the range of 100-120 mDKK and an EBIT of 50-70 mDKK, which will be a historically good result.

Upon completion of the trade, EBIT is expected to be positively affected by 3-5 mDKK annually, as the acquisition provides significant synergies.

Best regards
FirstFarms A/S

For further information:

Please visit our website www.firstfarms.com or contact CEO Anders H. Nørgaard on telephone +45 75 86 87 87.

About FirstFarms:

FirstFarms is a Danish stock exchange listed company. We operate FirstFarms with responsibility for the surrounding communities, and we deliver highest quality which is primarily sold locally. We act on new opportunities, that create value for our investors and for the surroundings. Every day, we work on creating a more sustainable company.